

**MARKET ACCESS FOR NON-AGRICULTURAL PRODUCTS**

Harmonization of Fireworks Standards and Conformity Assessment Procedures

*Communication from the People's Republic of China*

The following communication, dated 19 September 2007, is being circulated at the request of the delegation of the People's Republic of China.

**I. INTRODUCTION**

1. In line with paragraph 16 of the Doha Ministerial Declaration in November 2001 and paragraph 22 of the Hong Kong Ministerial Declaration in December 2005, tariff as well as non-tariff barriers ("NTBs") should be reduced or as appropriate eliminated, in particular with respect to products of export interest to developing Members, and the special needs and interests of developing and least-developed Members should be taken fully into account. Some Members create and apply NTBs in the form of standards, inspection, testing, certification and accreditation, which fail to take due account of the national condition of developing Members, and which pose de facto or disguised restrictions on exports of interests to developing Members and constitute unnecessary obstacles to the market access of products from developing Members.

2. In regard to the international trade of fireworks (HS code 360410), standards of Members differ greatly, and some standards are unreasonable. The following proposal is made with a view to possible solutions to NTBs affecting trade in fireworks.

**II. BACKGROUND**

3. Some Members require the attachment of dangerous degree labels for products prior to their entry into target markets. This requirement increases the processing time and costs for manufacturers seeking to export to such markets.

4. In some cases, Members require that specific laboratories, which are identified by the importing Member, issue a test report with respect to imported fireworks. The importing Member refuses to accept test reports issued by other laboratories, even though they are fully in compliance with the ISO/IEC17025 standards. Thus, export fireworks companies must first obtain certification for their fireworks from specific laboratories recognized by the importing Members, resulting in significantly increased costs for the companies.

5. In addition, some Members prohibit the sale of fireworks or certain categories of fireworks. Some Members also require the registration or certification of importers and exporters of fireworks.

Both of these measures have greatly affected the production and marketing of fireworks by companies in developing Members, and thus distort trade.

6. The economic impact of NTBs on fireworks international trade is significant. For example, according to one study, 100 percent of Chinese manufacturers have encountered NTBs in the process of exporting their firework products. The cost of dangerous degree labels amount to 4,000 U.S. dollars for each container of fireworks. In addition, laboratory testing costs Chinese firework exporters 30 million to 150 million U.S. dollars annually (total annual trade value equals 460 million U.S. dollars).

### **III. MODALITIES**

7. In order to further address the problems outlined above, we hereby make this notification with respect to NTBs affecting the international trade in fireworks and also submit for consideration by Members the attached Annex to the WTO Agreement on Technical Barriers to Trade: Non-Tariff Barriers Related to Trade in Fireworks. These proposals offer clear benefits to both producers and consumers in many WTO Member countries. Accordingly, we invite interested Members to join China in a discussion on common barriers of interest related to fireworks as part of the NTB negotiations

## NON -TARIFF BARRIER NOTIFICATIONS CONCERNING FIREWORKS

No.	Tariff item (HS2002)	Description of product	Non-tariff measure on which action is requested	Specific action requested	Remarks
1	2	3	4	5	6
[1]	HS 3604 10	Pyrotechnic article which contain substances or a mixture of substances designed to produce heat, light, sound, gas or smoke or a combination of such effects through self-sustained exothermic chemical reactions for entertainment.	<ol style="list-style-type: none"> <li>1. Prohibition of sale of fireworks or of certain categories of fireworks</li> <li>2. Designate laboratories for testing or only accept the test results of domestic laboratories</li> <li>3. Registration or certification requirements</li> </ol>	<ol style="list-style-type: none"> <li>1. Eliminate the prohibition of sells on certain fireworks</li> <li>2. Accept the relevant foreign conformity assessment results which are in complete compliance with the ISO/IEC17025 standards</li> <li>3. Eliminate the unnecessary registration or certification requirements</li> </ol>	Impeding or preventing market access
[2]	HS 3604 10	Pyrotechnic article which contain substances or a mixture of substances designed to produce heat, light, sound, gas or smoke or a combination of such effects through self-sustained exothermic chemical reactions for entertainment.	<ol style="list-style-type: none"> <li>1.Unified international standard does not exist</li> <li>2.Standards of Members differ from each other greatly</li> <li>3. Some requirements in members' current standards lack reasonableness. For example, the fireworks stability test is required to be conducted on a 60<sup>0</sup> sloping surface, and the requirement for pyrotechnic compositions percentage is extremely stringent, regardless of the handwork conditions of the fireworks industry</li> </ol>	<ol style="list-style-type: none"> <li>1. Try to establish the international standards on fireworks.</li> <li>2. Encourage different countries to adopt the same standards on fireworks</li> </ol>	Impeding or preventing market access
[3]	HS 3604 10	Pyrotechnic article which contain substances or a mixture of substances designed to produce heat, light, sound, gas or smoke or a combination of such effects through self-sustained exothermic chemical reactions for entertainment.	<ol style="list-style-type: none"> <li>1. Samples must be sent to laboratories in importing Members for testing</li> <li>2. Requirement of pre-shipment inspection by designated inspection bodies in factories of the exporting Member</li> </ol>	<ol style="list-style-type: none"> <li>1. Adopt the testing results from competent laboratories of exporting countries</li> <li>2. Simplify the conformity assessment procedures</li> </ol>	Increasing costs

No.	Tariff item (HS2002)	Description of product	Non-tariff measure on which action is requested	Specific action requested	Remarks
1	2	3	4	5	6
			<p>3. Test reports or classification certificates issued by competent laboratories of the exporting Member are not accepted</p> <p>4. Complicated conformity assessment procedures, such as product registration or type testing, sampling or batch-by-batch inspection, port inspection, market surveillance, and quality system certification, etc.</p> <p>5. Only domestic hazard classification results are accepted</p>		

**Annex to the WTO Agreement on Technical Barriers to Trade:**  
**Non-Tariff Barriers Related to Trade in Fireworks**

*Members,*

*Recalling* Paragraph 16 of the Doha Ministerial Declaration and Paragraph 22 of the Hong Kong Ministerial Declaration, where Members agreed to negotiate with a view to reducing or as appropriate eliminating tariffs and non-tariff barriers to trade in non-agricultural products;

*Considering* the significant impact of fireworks on human safety, property and the environment and the lack of applicable international standards on fireworks;

*Noting* that unreasonable and duplicative technical regulations, standards and conformity assessment procedures on fireworks greatly impede the international trade in fireworks;

*Desiring* to facilitate international trade in fireworks through the establishment of universally accepted technical regulations, standards and conformity assessment procedures;

Hereby *agree* as follows:

**Article 1 – General Provisions**

- 1.1. The Agreement applies to fireworks under HS code 3604100000.
- 1.2. Non-tariff barriers in the Agreement include but are not limited to technical regulations, standards, and conformity assessment procedures related to the production and trade of fireworks that impede international trade.
- 1.3. The provisions set out in this Agreement shall be considered as a supplement to the WTO Agreement on Technical Barriers to Trade.

**Article 2 –Terms and Definitions**

- 2.1. **Pyrotechnic article** refers to any article containing substances or a mixture of substances designed to produce heat, light, sound, gas, or smoke, or a combination of such effects, through self-sustained exothermic chemical reactions for entertainment or other purposes.
- 2.2. **Firework** refers to a pyrotechnic article, the use of which is for entertainment.
- 2.3. The terms and definitions referred to in the WTO Agreement on Technical Barriers to Trade and those in relevant ISO/IEC guide shall apply to this Annex.

**Article 3 -International Standards**

- 3.1. The WTO will draw the attention of relevant international standard-setting organizations to the absence of international standards of fireworks and encourage them to prioritize fireworks standards development.
- 3.2. WTO Members are encouraged to participate actively in the development of international standards for fireworks.

#### **Article 4 – Conformity Assessment Procedures**

4.1. Wherever relevant international standards, guides or recommendations do not exist, importing Members shall give positive consideration to accepting as equivalent to their own the technical regulations of exporting Members.

4.2. Members shall accept conformity assessment results for fireworks issued by laboratories that are accredited by international laboratory accreditation organizations as in complete compliance with the ISO/IEC17025.

#### **Article 5 – Transparency**

5.1. Members shall ensure that all technical regulations, standards and conformity assessment procedures on fireworks that have been developed or amended are published promptly in such a manner as to enable interested Members to become acquainted with them.

#### **Article 6 -Technical Cooperation**

6.1. Developed Members shall conduct sufficient consultations with other interested Members in developing domestic technical regulations, standards and conformity assessment procedures on fireworks.

6.2. Developed Members shall provide technical assistance to developing Members to improve their capacity in meeting the technical regulations, standards and conformity assessment procedures on fireworks.

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